



Wisconsin Public Service Corporation Green Pricing Programs



Green Power Marketing Conference

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November 3, 2003



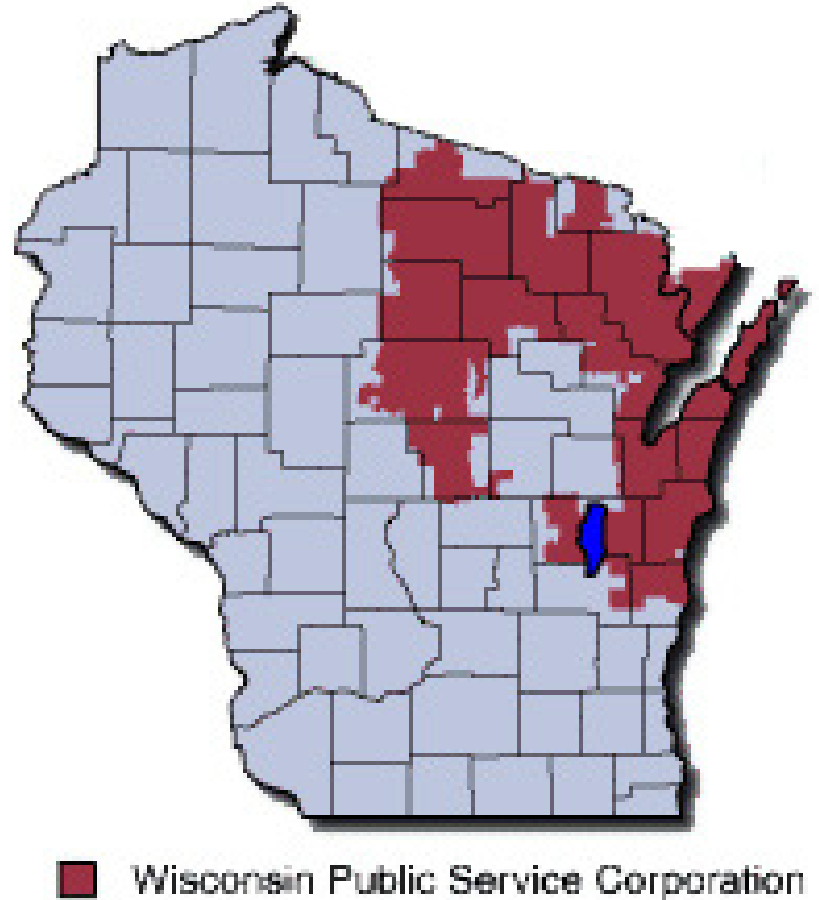
Overview

- Wisconsin Public Service Corporation
- NatureWise®
- SolarWise® for Schools
- Product Interaction
- Lessons Learned



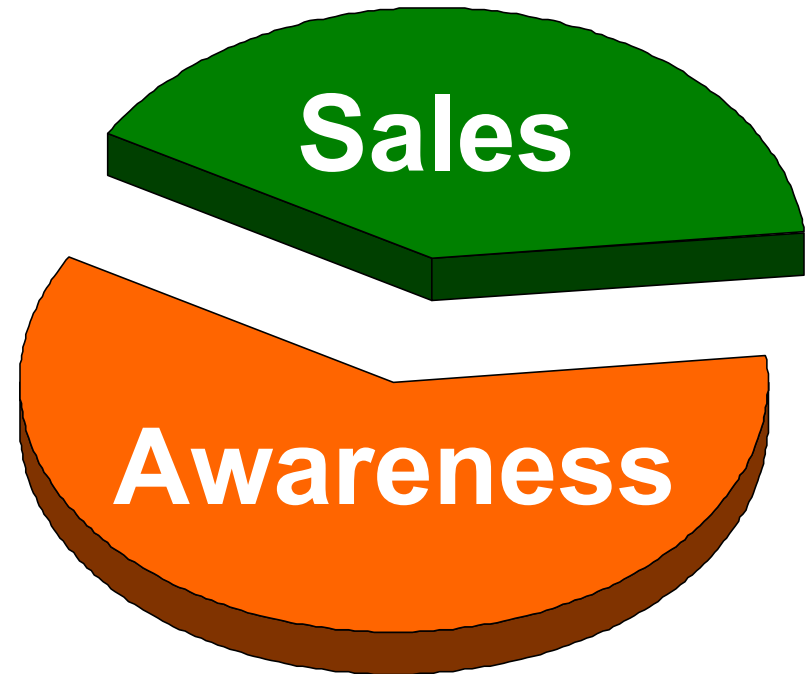
Wisconsin Public Service Corp.

- Investor-owned
- 11,000 square miles;
24 counties
- 442,400 electric and
289,100 natural gas
customers
- Peak: 2,000 MW



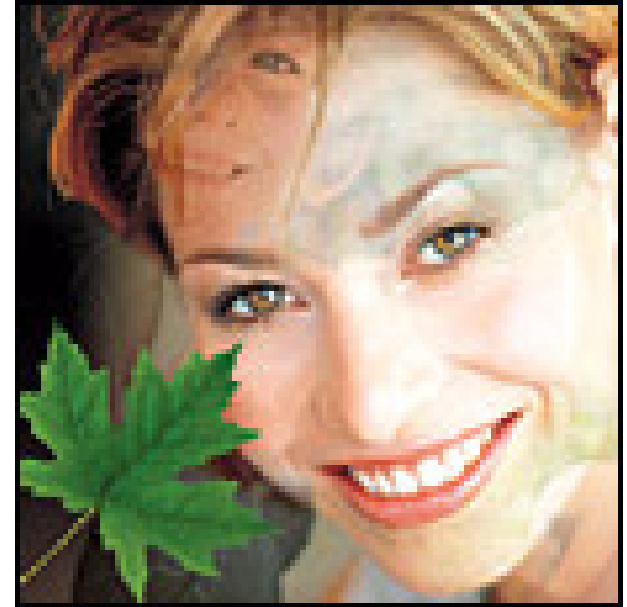
NatureWise® Goals

- Sales
 - Provide a renewable energy option
- Awareness
 - Increase customer awareness of utility's environmental initiatives



NatureWise Background

- Green pricing program
- Launched April 2002
- All customers eligible
- Block product
 - Residential
 - Commercial/industrial
- Blend of renewable sources
- Accredited by Center for Resource Solutions



NatureWise Description

■ Product

- Electricity generated from renewable energy resources; offered in 100-kWh monthly blocks

■ Price

- \$2.65 / 100 kWh premium (extra monthly charge)

■ Promotion

- Residential bill inserts – twice annually
- Broadcast media – twice annually
- Direct mail – one residential and one small business
- Trade shows – ongoing
- Web site



NatureWise Business Program Structure

- Three Possible Commitment Levels
 - Champion (equal to EPA Green Power Partnership levels)
 - Steward (2/3 EPA)
 - Advocate (1/3 EPA)
- Three Ranges of Monthly Electric Bill
 - Up to \$500
 - \$501 to \$1,500
 - \$1,501+



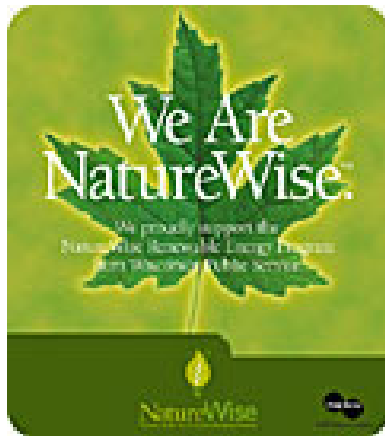
NatureWise Business Program

If your monthly electric bill is...	Your added monthly NatureWise payment would be...			
Up to \$500		Champion	Steward	Advocate
	Number of blocks	6	4	2
	Monthly Payment	\$15.90	\$10.60	\$5.30
\$501 - \$1,500	Number of blocks	15	10	5
	Monthly Payment	\$39.75	\$26.50	\$13.25
\$1,501+	Number of blocks	30	20	10
	Monthly Payment	\$79.50	\$53.00	\$26.50



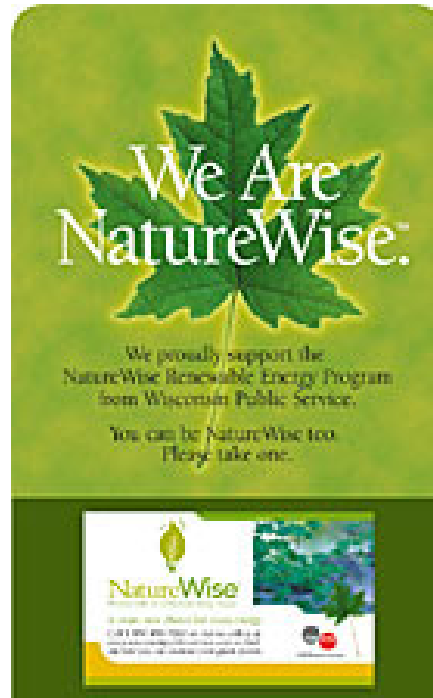
Premiums for C/I Customers

Advocate



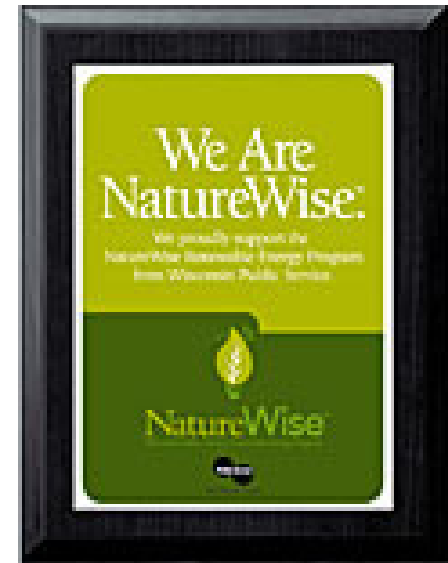
Window Clings

Steward



**Tabletop Display
+ Clings**

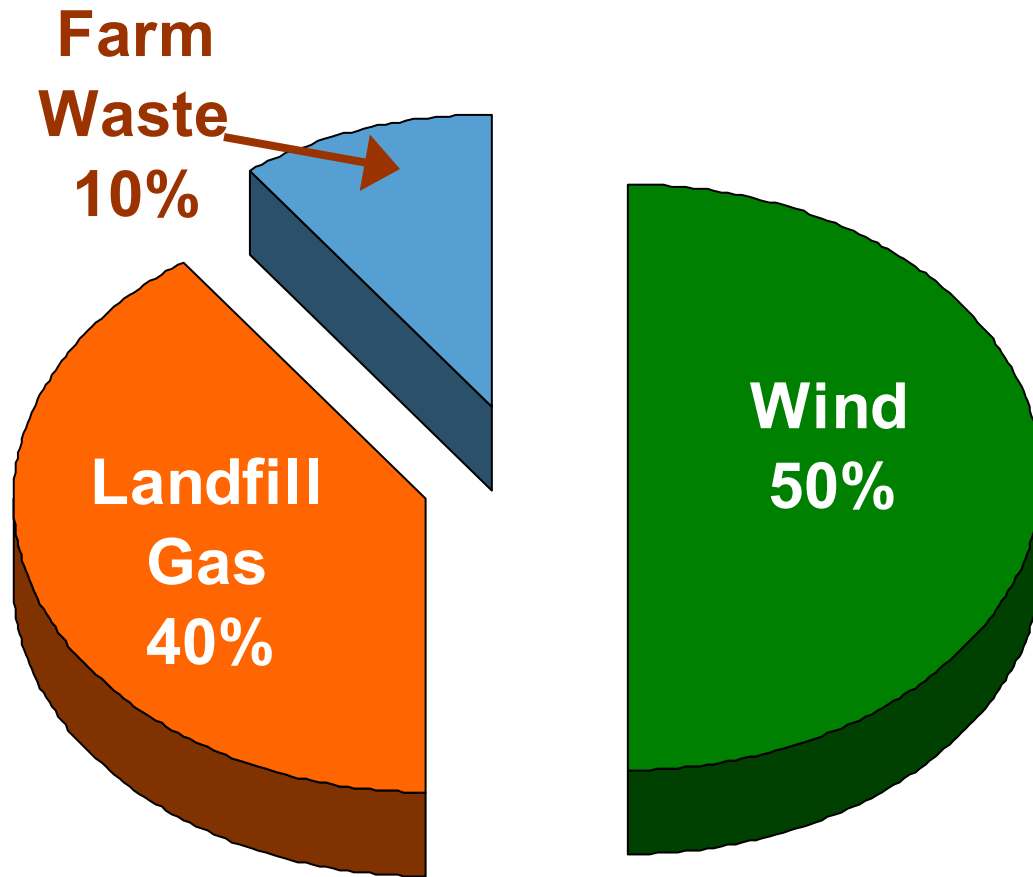
Champion



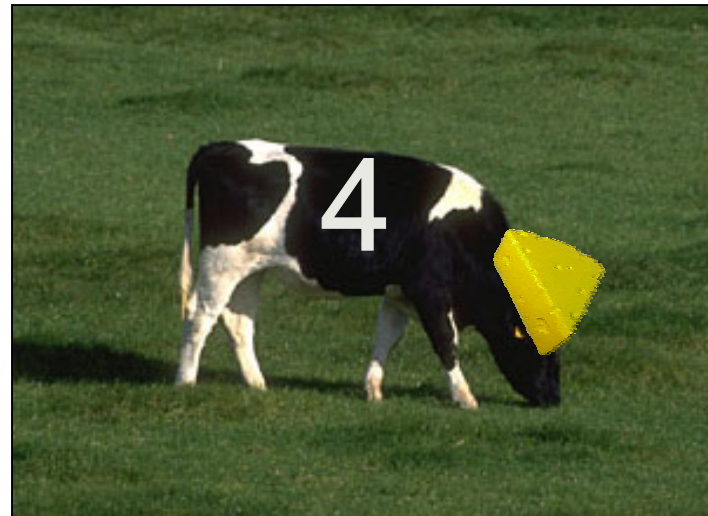
**Plaque
+ Display
+ Clings**



NatureWise Supply Mix



NatureWise Supply Sources



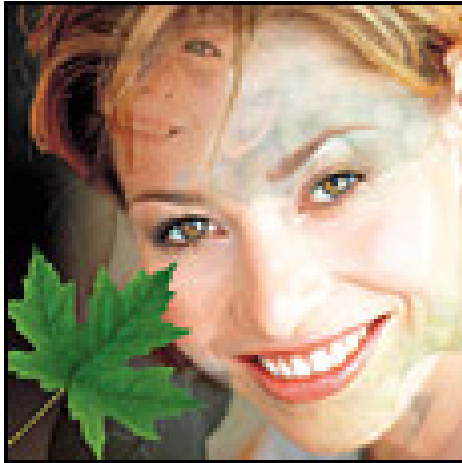
NatureWise Results - Residential



- Four residential campaigns
 - Bill insert with broadcast media
 - 20-25% customer awareness
 - Customer acquisition costs ~ \$35
- Sales
 - 1,406 residential customers (< 1%)
 - 2,860 blocks or 286,000 kWh monthly
 - 2.0 blocks per customer per month average



NatureWise Results – Small Business



- October, 2002 direct mail campaign
 - 15 customers
 - 5.7 blocks / customer
- Planning outbound calling campaign



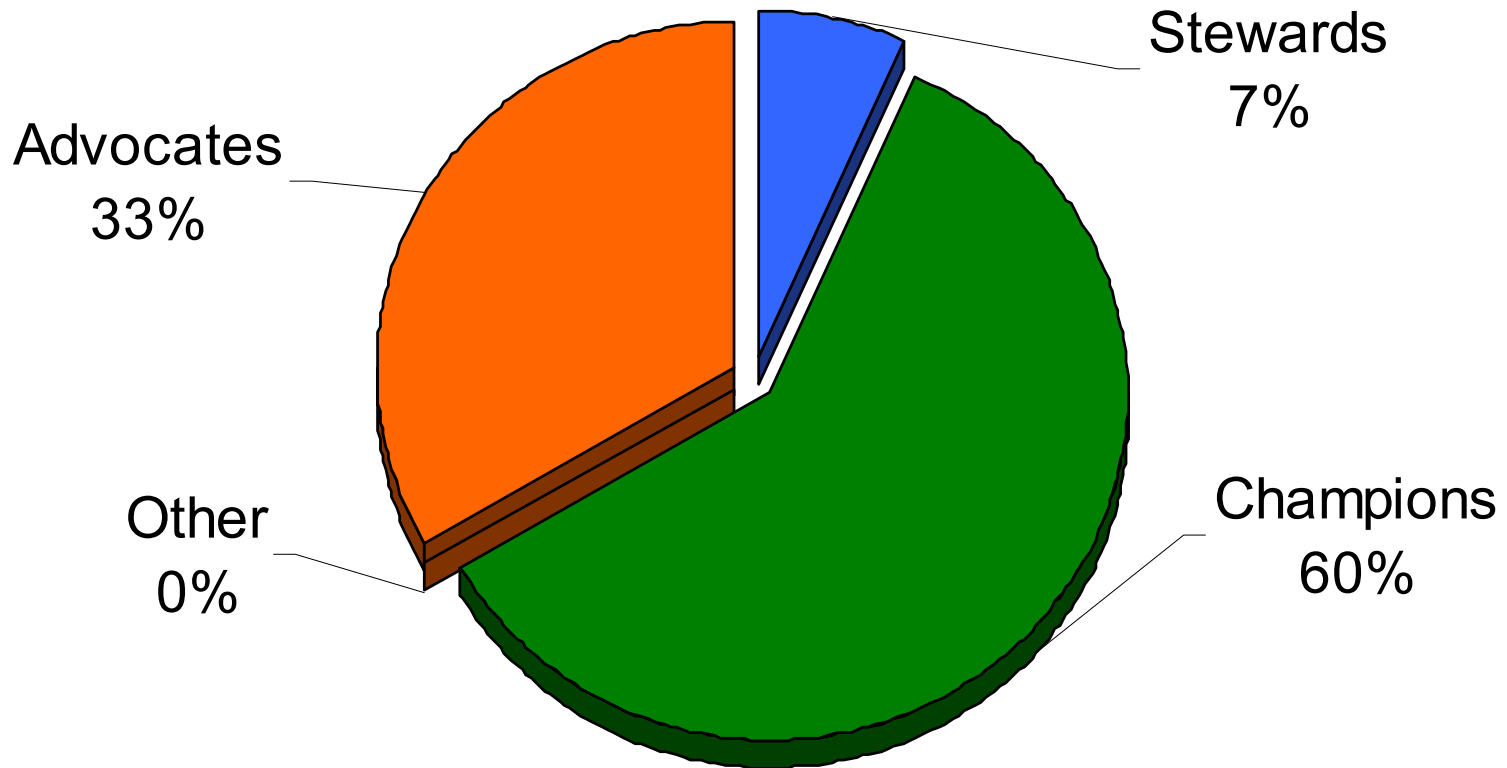
NatureWise Results – Large Customer

- University of Wisconsin-Oshkosh
 - Largest green energy purchaser in Wisconsin
 - 960,000 kWh annually (3% of campus's electricity)
 - EPA Green Power Partnership member



NatureWise Update – C/I

**C/I NatureWise Number of Customers by Level of Commitment
October Campaign (October 21, 2002 - January 3, 2003)**



SolarWise® for Schools Background

- Green “donation” program
- Launched February 1996
- All customers eligible
- Customer donation program
 - Install solar-electric systems on public high schools in northeast Wisconsin
- WPS Community Foundation, Inc.
 - Non-profit, charitable corporation
 - Contributions are tax-deductible



Funding

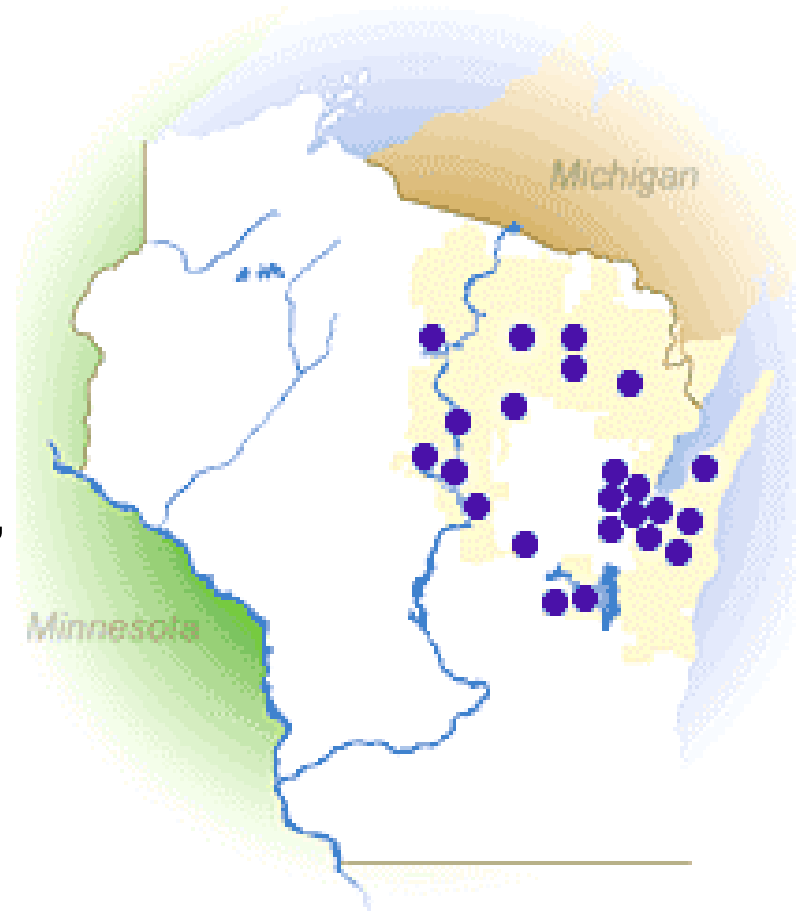
Customer donations

- 4,800 contributors; \$90,000/year
- \$390,000 since 1996
- U.S. Department of Energy
 - \$227,000 over four years
- Wisconsin Energy Bureau / Focus on Energy
 - \$85,000 in six years



23 SolarWise® Installations

- 1997 - Green Bay East, Antigo, Southern Door
- 1998 - Mosinee, Waupaca, De Pere
- 1999 - Pulaski, Oshkosh West, Crandon
- 2000 – Denmark, Lourdes, Laona
- 2001 – Green Bay Southwest, Merrill, Wausaukee
- 2002 – Ashwaubenon, D C Everest, Wabeno
- 2003 – Bayport, Oconto, Tomahawk, Valders, Pacelli (Stevens Point)
- 2004 – Wrightstown, Wausau East, Marinette, Sevastopol



De Pere High School Installation



Education Initiatives

- Solar Olympics
 - Inter-school renewable energy exhibition and competition
 - 700+ Students in first six years
- Three-week renewable energy curriculum package
 - 63 teachers trained
 - 7,000 students



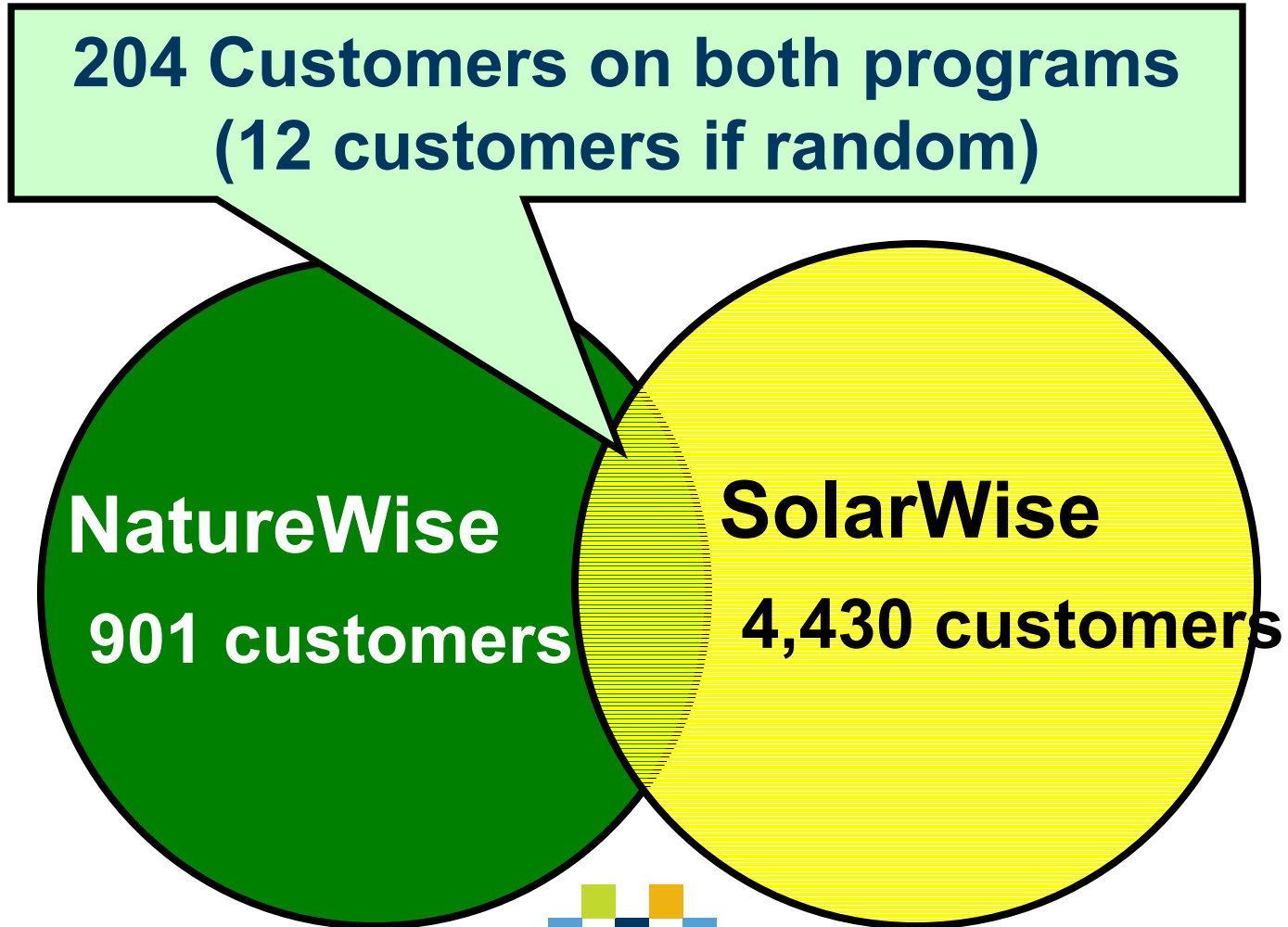
Solar Olympics



Green Bay East High School's "Sun Runner" Truck



NatureWise / SolarWise Overlap



NatureWise Lessons Learned

■ Product

- Block program is simple
- Customers like fixed dollar amount
- Synergy with Renewable Portfolio Standard

■ Price

- Affordable: ~\$5 / month = 2 blocks

■ Promotion

- Residential bill insert is most cost-effective
- Small business direct mail is least cost-effective
- Large customers make large purchases



SolarWise for Schools Lessons Learned

- Emphasize education and community benefits, not savings
- Hold ongoing events to make renewable energy visible
- Have a clear agreement with the schools
- Use one manufacturer for PV equipment



NatureWise & SolarWise: Lessons Learned

- Value propositions of NatureWise and SolarWise compliment each other



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